

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

CORE SCIENTIFIC, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 22-90341 (DRJ)

(Jointly Administered)

**McCARTHY BUILDING COMPANIES INC.'S NOTICE
OF CONTINUED PERFECTION OF MATERIALMAN'S
AND MECHANIC'S LIEN PURSUANT TO 11 U.S.C. § 546(b)**

McCarthy Building Companies Inc. ("McCarthy"), by and through its undersigned counsel, hereby gives notice of continued perfection and maintenance of its materialman's and mechanic's lien under 11 U.S.C. §§ 362(b)(3) and 546(b)(2), as follows:

1. McCarthy and Core Scientific, Inc. ("Core Scientific") entered into that certain construction contract dated November 17, 2021 (the "Construction Contract"), pursuant to which McCarthy provided, labor, equipment, services, material and/or supplies for the construction of the Core Scientific Denton Data Center (the "Project") in Denton, Texas (the "Real Property"). The legal description of the Real Property is set forth in McCarthy's *Amended Affidavit for Mechanic's Lien* (the "Lien Filing") and such lien, the "Mechanic's Lien"), a true and correct copy of which is attached hereto as Exhibit A.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (N/A); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisitions, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisition I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

2. The Debtor, Core Scientific, which filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the “Bankruptcy Code”) on December 21, 2022 (the “Petition Date”).

3. Before the Petition Date, McCarthy properly and timely recorded the Lien Filing under Texas Property Code § 53.001, *et seq.* in the Land Records of Denton County, Texas. The interest perfected, maintained, and/or continued by the Lien Filing extends in and to the Real Property, improvements, and/or leasehold interest in the Real Property.

4. As of the recording of the Lien Filing, the amount owing to McCarthy subject to is Mechanic’s Lien is at least \$17,052,583.65, exclusive of accruing interest and other charges, and additional amounts which have continued and are continuing to accrue, since the Lien Filing and after the Petition Date.

5. Accordingly, McCarthy hereby provides notice to all parties in interest registered to receive electronic notice in these cases of its Lien Filing and Mechanic’s Lien and its rights as a lienholder in the Real Property pursuant to Texas’s statutory and constitutional materialman’s and mechanic’s lien law. McCarthy is filing and serving this notice to perfect, preserve, maintain, and continue the perfection of its Mechanic’s Lien and its rights in the Real Property, improvements, and/or leasehold interest in the Real Property to comply with the requirements of Texas state law, 11 U.S.C. §§ 362(a), 362(b)(3), and 546(b)(2), and any other applicable statutes, rules, and/or law. McCarthy intends to enforce its Mechanic’s Lien rights to the fullest extent permitted by applicable law and reserves its rights to amend or supplement the Mechanic’s Lien and any other claims against the Debtors. To the extent required by Texas law, this notice constitutes the legal equivalent of having commenced a foreclosure/enforcement action in the proper court. By this notice, the Debtors and other parties in interest are estopped from claiming

that any required lawsuit to foreclose/enforce McCarthy's Mechanic's Lien was not timely commenced pursuant to applicable state law. McCarthy's interests perfected, maintained, and/or continued by 11 U.S.C. § 546(b)(2) extend in and to the proceeds, products, offsprings, rents, or profits of the Real Property to the full extent allowable by applicable law.

6. McCarthy files this notice out of an abundance of caution. The filing of this notice shall not be construed as an admission that such filing is required under the Bankruptcy Code, Texas state law, or any other applicable law.

7. McCarthy reserves all rights, including the right to amend and/or supplement this notice, and reserves any and all other rights available under applicable law. This notice is without prejudice to any and all other rights, claims, remedies, and causes of action which McCarthy has or may have against the Debtors, their estate, or otherwise and/or against any third-party, other property, or otherwise, including but not limited to the right to seek relief from the automatic stay to foreclose its Mechanic's Lien, all of which are expressly reserved.

Dated: January 23, 2023

Respectfully submitted,

/s/ Marguerite Lee DeVoll

Jennifer L. Kneeland (admitted *pro hac vice*)

Marguerite Lee DeVoll (admitted *pro hac vice*)

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CERTIFICATE OF SERVICE

I hereby certify that on January 23, 2023, I caused a true and correct copy of the foregoing document to be served by electronic means through the Court's CM/ECF system to all parties authorized to receive electronic notice in this case.

/s/ Marguerite Lee DeVoll
Marguerite Lee DeVoll